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**WHN CONSULTING**

19 Morning Arbor Place  
The Woodlands, TX 77381

T.R.A. DOCKET ROOM

April 1, 2005

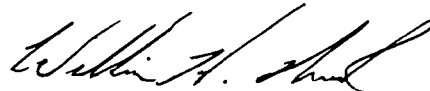
Ms. Darlene Standley, Chief  
Utilities Division  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

**RE: Wastewater Escrow Accounts – Docket 04-00434**

Dear Ms. Standley:

On behalf of Cartwright Creek Utility Company and Sheaffer International, L.L.C., I am submitting the attached responses to your data request of March 16, 2005. If you have any questions regarding these responses, please contact me at 713-298-1760

Sincerely,



William H. Novak  
Regulatory Agent for Cartwright Creek

Attachment

1. Does your company maintain an escrow account to appropriate funds dedicated to system repairs or operations in the event of an emergency? Does the company maintain an escrow account for any other purpose? If so, when was this account(s) first established?

**RESPONSE:**

The Company does not maintain an escrow account for the purpose of system repairs, emergency events or any other purpose.

2. If your company does not have an escrow account, please explain how the company would fund extensive system repairs or operations in the event of an emergency.

**RESPONSE:**

Sheaffer International, L.L.C. has a boiler and machinery insurance policy for all of its utilities that cover \$50,000 in mechanical equipment replacement. In addition, this policy also provides business interruption coverage of \$240,000 per incident which kicks in after 48 hours.

3. If an escrow account(s) exists, please answer the following questions:

**RESPONSE:**

Not applicable.